

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

K

W-02886A  
Kohl's Ranch Water Company  
2111 East Highland Ave. Suite 210  
Phoenix AZ 850160000

**RECEIVED**

APR 01 2005

AZ Corporation Commission  
Director Of Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2004
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FOR COMMISSION USE

ANN04	04
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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>KOHL'S RANCH WATER COMPANY</u>		
<b>Mailing Address</b> <u>2111 East Highland, Suite 210</u>		
<u>Phoenix</u> (City)	<u>Arizona</u> (State)	<u>85016</u> (Zip)
<u>602-957-2777</u> Telephone No. (Include Area Code)	<u>602-957-2780</u> Fax No. (Include Area Code)	<u>602-432-6549</u> Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>jholbrook@ilxresorts.com</u>		
<b>Local Office Mailing Address</b> <u>HC-2, Box 96K</u>		
<u>Payson</u> (City)	<u>Arizona</u> (State)	<u>85541</u> (Zip)
<u>928-478-4211</u> Local Office Telephone No. (Include Area Code)	<u>928-478-0353</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)
<b>Email Address</b> <u>tkrehbiel@ilxresorts.com</u>		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>John Holbrook</u>		<u>Vice President</u>	
(Name)		(Title)	
<u>2111 East Highland, Suite 210</u> (Street)	<u>Phoenix</u> (City)	<u>Arizona</u> (State)	<u>85016</u> (Zip)
<u>602-947-2777</u> Telephone No. (Include Area Code)	<u>602-957-2780</u> Fax No. (Include Area Code)	<u>602-432-6549</u> Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>jholbrook@ilxresorts.com</u>			
<b>On Site Manager:</b> <u>Ty Krehbiel</u>			
(Name)			
<u>202 South Kohl's Ranch Lodge Road, Payson</u> (Street)	<u>Arizona</u> (City)	<u>85541</u> (State)	<u>85541</u> (Zip)
<u>928-478-4211</u> Telephone No. (Include Area Code)	<u>928-478-0353</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>tkrehbiel@ilxresorts.com</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

COMPANY NAME Kohl's Ranch Water Company

## CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	—	—	—
304	Structures and Improvements	—	—	—
307	Wells and Springs	2,000.70	—	—
311	Pumping Equipment	35,465.72	.04	1,389.12
320	Water Treatment Equipment	6,199.25	—	—
330	Distribution Reservoirs and Standpipes	—	—	—
331	Transmission and Distribution Mains	12,658.00	.02	285.82
333	Services	—	—	—
334	Meters and Meter Installations	5,420.00	—	—
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	150.00	—	—
341	Transportation Equipment	1,000.00	—	—
343	Tools, Shop and Garage Equipment	3,133.19	.05	143.39
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	6,875.17	.01	50.47
348	Other Tangible Plant	300.00	—	—
	<b>TOTALS</b>	<b>73,202.03</b>	<b>.11</b>	<b>1,868.80</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

**COMPANY NAME** Kohl's Ranch Water Company

## BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 3,627.35	\$ 5,330.04
134	Working Funds	—	—
135	Temporary Cash Investments	—	—
141	Customer Accounts Receivable	432.87	114.79
146	Notes/Receivables from Associated Companies	—	—
151	Plant Material and Supplies	—	—
162	Prepayments	1,462.00	676.50
174	Miscellaneous Current and Accrued Assets	—	—
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 5,522.22	\$ 6,051.33
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 73,202.03	\$ 73,202.03
103	Property Held for Future Use	—	—
105	Construction Work in Progress	—	—
108	Accumulated Depreciation – Utility Plant	(69,372.82)	(71,241.62)
121	Non-Utility Property	—	—
122	Accumulated Depreciation – Non Utility	—	—
	<b>TOTAL FIXED ASSETS</b>	\$ 3,829.21	\$ 1,960.41
	<b>TOTAL ASSETS</b>	\$ 9,351.43	\$ 8,011.74

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Kohl's Ranch Water Company

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable 20000 / 20001	\$ 713.35	\$ 375.00
232	Notes Payable (Current Portion)	—	—
234	Notes/Accounts Payable to Associated Companies	170,328.98	210,818.43
235	Customer Deposits	—	—
236	Accrued Taxes 20022-09	—	153.60
237	Accrued Interest	—	—
241	Miscellaneous Current and Accrued Liabilities 20014	985.89	911.00
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 172,038.22	\$ 212,258.06
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ —	\$ —
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ —	\$ —
252	Advances in Aid of Construction	—	—
255	Accumulated Deferred Investment Tax Credits	—	—
271	Contributions in Aid of Construction	—	—
272	Less: Amortization of Contributions	—	—
281	Accumulated Deferred Income Tax	—	—
	<b>TOTAL DEFERRED CREDITS</b>	\$ —	\$ —
	<b>TOTAL LIABILITIES</b>	\$ 172,038.22	\$ 212,258.06
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ (2,250.00)	\$ (2,250.00)
211	Paid in Capital in Excess of Par Value	(40,628.97)	(40,628.97)
215	Retained Earnings	(119,807.82)	(161,367.35)
218	Proprietary Capital (Sole Props and Partnerships)	—	—
	<b>TOTAL CAPITAL</b>	\$ (162,686.79)	\$ (204,246.32)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 9,351.43	\$ 8,011.74

COMPANY NAME Kohl's Ranch Water Company

## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue <sup>9,912.76</sup> <sup>687.14</sup> <sup>see filing due 1 April</sup> <sup>&lt;40000&gt; + sales tax</sup>	\$ 11,428.10	\$ 10,599.93
460	Unmetered Water Revenue	—	—
474	Other Water Revenues	—	—
	<b>TOTAL REVENUES</b>	\$ 11,428.10	\$ 10,599.93
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages <sup>37,837.54</sup> <sup>3456.66</sup> <sup>55000</sup> <sup>57000</sup>	\$ 37,411.52	\$ 38,294.25
610	Purchased Water	—	—
615	Purchased Power <sup>30000</sup>	160.20	157.09
618	Chemicals <sup>ACHAR</sup> <sup>20500</sup>	117.39	157.67
620	Repairs and Maintenance	1,281.66	537.40
621	Office Supplies and Expense <sup>85000</sup>	54.79	0
630	Outside Services <sup>70500 - 0</sup> <sup>75000 - 143.75</sup>	5,477.25	143.75
635	Water Testing <sup>252.07</sup> <sup>25,310.00</sup> <sup>71500</sup> <sup>80500 - 5159</sup>	5,860.00	5,562.07
641	Rents	—	—
650	Transportation Expenses	—	—
657	Insurance - General Liability <sup>74250</sup>	—	2,138.50
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense - Rate Case	—	—
675	Miscellaneous Expense <sup>8518.00</sup> <sup>85500</sup> <sup>76200</sup> <sup>95505</sup> <sup>95500</sup> <sup>73.53</sup> <sup>(1.36)</sup>	1,013.30	743.78
403	Depreciation Expense <sup>93000</sup>	2,896.98	1,868.80
408	Taxes Other Than Income <sup>28,540.74</sup> <sup>55500</sup> <sup>71500</sup> <sup>342.04</sup> <sup>3687.17</sup> <sup>sales tax</sup>	3,034.43	3,269.50
408.11	Property Taxes <sup>273.39</sup> <sup>+ 301.52</sup>	609.40	574.91
409	Income Tax	50.00	50.00
	<b>TOTAL OPERATING EXPENSES</b>	\$ 57,966.92	\$ 53,497.72
	<b>OPERATING INCOME/(LOSS)</b>	\$ (46,538.82)	\$ (42,897.79)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ —	\$ —
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	—	—
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ —	\$ —
	<b>NET INCOME/(LOSS)</b>	\$ (46,538.82)	\$ (42,897.79)

COMPANY NAME Kohl's Ranch Water Company

## SUPPLEMENTAL FINANCIAL DATA

### Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ N/A

Meter Deposits Refunded During the Test Year

\$ N/A

COMPANY NAME Kohi's Ranch Water Company

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Flowing Spring		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15 hp	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity



COMPANY NAME Kahi's Ranch Water Company

## WATER COMPANY PLANT DESCRIPTION (CONTINUED)

### MAINS

Size (in inches)	Material	Length (in feet)
2	Galvanized	2,000 est.
3	Cement	10,000 est.
4		
5		
6		
8		
10		
12		
1	Galvanized	

### CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	133
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

#### TREATMENT EQUIPMENT:

chlorination pumps (2)

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#### STRUCTURES:

chlorination room - block and frame

Filter room - frame

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#### OTHER:

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COMPANY NAME: Kohl's Ranch Water Company

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	123	246,500	Gravity Flow
FEBRUARY	123	191,070	
MARCH	123	290,260	
APRIL	123	363,989	
MAY	123	526,517	
JUNE	123	968,120	
JULY	123	789,132	
AUGUST	123	527,860	
SEPTEMBER	123	563,877	
OCTOBER	123	385,310	
NOVEMBER	123	264,350	
DECEMBER	123	229,300	
TOTAL		NA	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes

(x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes

(x) No

If yes, provide the GPCPD amount: NA

What is the level of arsenic for each well on your system. < .0050 mg/l  
(If more than one well, please list each separately.)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Koh's Ranch Water Company

YEAR ENDING 12/31/2004

**PROPERTY TAXES**

2nd Half 2003 — 273.39  
1st Half 2004 — 301.52  
574.91

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 574.91

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## 2004 TAX NOTICE

JAN. 1, 2004  
TO  
DEC. 31, 2004

COUNTY OF GILA

ARIZONA

ADDRESS: POST OFFICE BOX 109:  
GLOBE AZ 85502LEGAL DESCRIPTION: SECTION TWN RNG ACRES  
TOTAL VALUE OF OPERATING PROPERTY USE 5500TAX ROLL NUMBER  
35852PARCEL IDENTIFICATION  
913-81-000 7TAX AREA CODE  
1000IMPORTANT - SEE REVERSE SIDE  
FOR COMPLETE EXPLANATION OF  
YOUR 2004 TAX NOTICE AND  
PAYMENT INSTRUCTIONS.

913-81-000 7 35852

KOHLS RANCH WATER CO  
JOHN B HOLBROOK/VP  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

01-24034

## 2004 TAX SUMMARY (3)

PRIMARY AD VALOREM TAX	515.1
LESS STATE AID TO EDUCATION	0
NET PRIMARY AD VALOREM TAX	515.1
SECONDARY AD VALOREM TAX	87.9
SPECIAL DISTRICT TAX	0

## PAY TOTAL OR HALF TAX

TOTAL TAX DUE	603.0
HALF TAX	301.5

## DELINQUENT DATES

\*1st HALF NOV. 1, 2004  
2nd HALF MAY 1, 2005THIS IS THE ONLY NOTICE YOU WILL RECEIVE  
NO RECEIPT WILL BE SENT UNLESS REQUESTED

## PRIMARY PROPERTY TAX CALCULATION (1)

ITEM	LIMITED VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	2.50	0	0	9.3656	0.00
PERSONAL PROPERTY	22,000	2.50	5500	0	9.3656	515.10
TOTALS	22,000		5500	0		515.10

## SECONDARY PROPERTY TAX CALCULATION (2)

ITEM	FULL CASH VALUE	ASSMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	2.50	0	0	15.989	0.00
BLDGS, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	22,000	2.50	5500	0	15.989	87.94
TOTALS	22,000		5500	0		87.94

## 2003-2004 TAX COMPARISON (4)

TAX CODE	TAX JURISDICTION	2004 PRIMARY	2004 SECONDARY	2004 TOTAL	2003 TOTAL	DIFFERENCE
02000	GILA COUNTY	24255	00	24255	23153	110
02002	SCHOOL EQUALIZATION	2508	00	2508	2476	32
07010	PAYSON SD #10	21289	6869	28158	23910	4248
08150	COMMUNITY COLLEGE	3458	00	3458	3301	157
11900	FIRE DISTRICT ASSISTANCE FUND	00	550	550	525	25
14900	GILA COUNTY LIBRARY DISTRICT	00	1100	1100	1050	50
30001	NORTHERN ARIZONA VIT	00	275	275	263	12
	TOTALS	51510	8794	60304	54678	5626

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

TAX ROLL NUMBER

35852

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

RECEIPT REQUESTED ( )

\*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

## 2004 2ND HALF COUPON

TO PAY 2ND HALF	PAY	301.52
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NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2005



0491381000007200400000030152

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
GILA CO. TREASURER  
POST OFFICE BOX 1093  
GLOBE AZ 85502KOHLS RANCH WATER CO  
2111 E HIGHLAND #210  
PHOENIX AZ 85016

TAX ROLL NUMBER

35852

PARCEL IDENTIFICATION

913-81-000 7

TAX AREA CODE

1000

RECEIPT REQUESTED ( )

\*IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

## 2004 1ST HALF COUPON

TO PAY 1ST HALF ONLY	PAY	301.52
TO PAY FULL YEAR TAX	PAY	603.04

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2004



0491381000007200400000030152

SECTION TWN RGE ACRES  
 TOTAL VALUE OF OPERATING PROPERTY

USE 5500

TAX ROLL NUMBER	35365
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

IMPORTANT - SEE REVERSE SIDE  
 FOR COMPLETE EXPLANATION OF  
 YOUR 2003 TAX NOTICE AND  
 PAYMENT INSTRUCTIONS.

20026-11

OK to pay

T.P. 9/29/03

did  
 9/29/03

913-81-000 7 35365

KOHL'S RANCH WATER CO  
 JOHN B HOLBROOK/VP  
 2111 E HIGHLAND  
 #210  
 PHOENIX

24689

AZ 85016

2003 TAX SUMMARY (3)	
PRIMARY AD VALOREM TAX	49,234
LESS STATE AID TO EDUCATION	0.00
NET PRIMARY AD VALOREM TAX	49,234
SECONDARY AD VALOREM TAX	5,444
SPECIAL DISTRICT TAX	0.00

PAY TOTAL OR HALF TAX

TOTAL TAX DUE	54,678
HALF TAX	27,339

DELINQUENT DATES  
 \* 1st HALF NOV. 1, 2003  
 2nd HALF MAY 1, 2004

THIS IS THE ONLY NOTICE YOU WILL RECEIVE  
 NO RECEIPT WILL BE SENT UNLESS REQUESTED

PRIMARY PROPERTY TAX CALCULATION (1)						
ITEM	LIMITED VALUE	ASSTMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND, BLDGS, ETC.	0	2.50	0	0	9.3779	0.00
PERSONAL PROPERTY	21,000	2.50	5,250	0	9.3779	49,234
TOTALS	21,000		5,250	0		49,234

SECONDARY PROPERTY TAX CALCULATION (2)						
ITEM	FULL CASH VALUE	ASSTMT. %	ASSESSED VALUE	EXEMPTION	TAX RATE	AD VALOREM TAX
LAND	0	2.50	0	0	1.0369	0.00
BLDGs, ETC.	0	0	0	0	0	0.00
PERSONAL PROPERTY	21,000	2.50	5,250	0	1.0369	5,444
TOTALS	21,000		5,250	0		5,444

2002-2003 TAX COMPARISON (4)						
AX CODE	TAX JURISDICTION	2003 PRIMARY	2003 SECONDARY	2003 TOTAL	2002 TOTAL	DIFFERENCE
2000	GILA COUNTY	23,153	0.00	23,153	26,461	-3,308
2002	SCHOOL EQUALIZATION	2,476	0.00	2,476	2,933	-457
7010	PAYSON SD #10	20,304	36,06	23,910	32,514	-8,604
8150	GILA PUEBLO COMMUNITY COLLEGE	3,301	0.00	3,301	3,494	-193
1900	FIRE DISTRICT ASSISTANCE FUND	0.00	5.25	5.25	6.00	-75
4900	GILA COUNTY LIBRARY DISTRICT	0.00	10.50	10.50	12.00	-150
0001	NORTHERN ARIZONA VIT	0.00	2.63	2.63	0.00	2.63
TOTALS		49,234	5,444	54,678	67,202	-12,524

TEAR OFF ALONG DOTTED LINES

TEAR OFF ALONG DOTTED LINES

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
 GILA CO. TREASURER  
 POST OFFICE BOX 1093  
 GLOBE AZ 85502

KOHL'S RANCH WATER CO  
 #210  
 PHOENIX AZ85016

TAX ROLL NUMBER	35365
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

RECEIPT REQUESTED ( )

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
 SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
 ENTER ADDRESS CORRECTION ON THE BACK OF THIS COUPON.

2003 2ND HALF COUPON

TO PAY 2ND HALF PAY 273.39

NOTE: 2nd HALF TAXES DELINQUENT AFTER MAY 1, 2004



0491381000007200300000027339

PLEASE RETURN THIS PORTION WITH PAYMENT TO:

PRIS KNUCKEY-RALLS  
 GILA CO. TREASURER  
 POST OFFICE BOX 1093  
 GLOBE AZ 85502

KOHL'S RANCH WATER CO  
 #210  
 PHOENIX AZ85016

TAX ROLL NUMBER	35365
PARCEL IDENTIFICATION	913-81-000 7
TAX AREA CODE	1000

RECEIPT REQUESTED ( )

IF TOTAL TAX DUE IS \$100.00 OR LESS FULL AMOUNT IS DUE NOW.  
 SEE PAYMENT INSTRUCTIONS ON REVERSE SIDE OF NOTICE.  
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2003 1ST HALF COUPON

TO PAY 1ST HALF ONLY PAY 273.39  
 TO PAY FULL YEAR TAX PAY 546.78

NOTE: 1st HALF TAXES DELINQUENT AFTER NOV 1, 2003



0491381000007200300000027339

2/27756, 27790, 27791, 27794, 27842, 28941, 35365  
 ILX Resorts Incorporated  
 2111 East Highland Suite 210  
 Phoenix, AZ 85016

980547

Wells Fargo  
 100 West Washington  
 Phoenix, AZ 85003

00093599

PAY

NINETEEN THOUSAND TWO HUNDRED TEN AND 29 / 100 Dollars

TO THE  
 ORDER  
 OF

GILA COUNTY TREASURER  
 PRIS KNUCKEY-RALLS  
 P.O. BOX 1093  
 GLOBE, AZ 85502

303-05-083, 122, 123B, 123C, 123E, 162B  
 303-27-066A, 913-81-000, 8500735-016

DATE

4/23/2004

CHECK NUMBER

093599

AMOUNT

\*\*\*\*\$19,210.29

*Joseph P Martore*  
*Fancy J Stone*

⑈00093599⑈ ⑆121000248⑆4945007565⑈

⑈0001921029⑈

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RESERVE BOARD OF GOVERNOR

APR 23 2004 2337 8 1

BANK ONE, NA  
 1119013314  
 04262004

5240768480

REGISTRATION 574

PAY TO THE ORDER OF  
 BANK ONE, NA  
 PHOENIX, AZ 85001

12210029  
 APR 23 2004  
 GILA COUNTY  
 118040

DO NOT WRITE IN THESE SPACES

REPRODUCING THE BACK OF THIS CHECK CONSTITUTES A SIMULATED WATERMARK. HOLIDAY AT 45 ANGLES TO THE FRONT.

Posting Date  
 4/29/2004

Posting Account  
 4945007565

Amount  
 \$19210.29

Serial No.  
 93599

Bank Reference No.  
 9530153928

CD Volume  
 20040430112401

COMPANY NAME Kohl's Ranch Water Company

YEAR ENDING 12/31/2004

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>Loss</u>
Estimated or Actual Federal Tax Liability	<u>None</u>

State Taxable Income Reported	<u>Loss</u>
Estimated or Actual State Tax Liability	<u>None</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>--</u>
Amount of Gross-Up Tax Collected	<u>--</u>
Total Grossed-Up Contributions/Advances	<u>--</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nancy J. Stone  
SIGNATURE

March 30, 2005

DATE

Nancy J. Stone

PRINTED NAME

President

TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

APR 01 2005

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Maricopa
NAME (OWNER OR OFFICIAL) TITLE
John B. Holbrook
COMPANY NAME
Kohl's Ranch Water Company

AZ Corporation Commission  
Director Of Utilities

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 10,599.93

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 687.17  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS


29<sup>th</sup>

DAY OF

(SEAL)

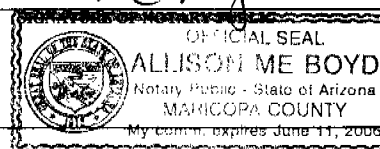
MY COMMISSION EXPIRES

6/11/06

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
602-957-2777  
\_\_\_\_\_  
TELEPHONE NUMBER

COUNTY NAME	
Maricopa	
MONTH	.20__
March	







**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**

APR 01 2005

AZ Corporation Commission  
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <p style="text-align: center;">Maricopa</p>	
NAME (OWNER OR OFFICIAL) <p style="text-align: center;">John B. Holbrook</p>	TITLE <p style="text-align: center;">Vice President</p>
COMPANY NAME <p style="text-align: center;">Kohl's Ranch Water Company</p>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

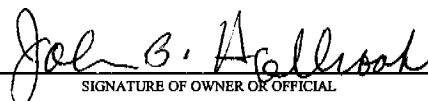
\$ 10,599.93

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 687.17

IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL

602-957-2777

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

29th

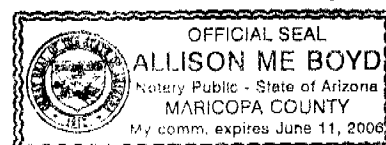
DAY OF

NOTARY PUBLIC NAME <p style="text-align: center;">Allison M.E. Boyd</p>	
COUNTY NAME <p style="text-align: center;">Maricopa</p>	
MONTH <p style="text-align: center;">March</p>	.20 <p style="text-align: center;">__</p>

(SEAL)

MY COMMISSION EXPIRES

X   
SIGNATURE OF NOTARY PUBLIC



## **FINANCIAL INFORMATION**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

See pages 3 - 7 of Annual Report